

**STAFF REPORT**

**TO:** Redevelopment Agency Chairperson and Members

**FROM:** Community and Economic Development Department

**AGENDA DATE:** December 7, 2004

**SUBJECT:** Supplemental Agreement Between the Union Pacific Railroad and the  
Beaumont Redevelopment Agency to Realign the City Industry and Lead  
Track

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***Background/Analysis***

The proposed Supplemental Agreement between the Union Pacific Railroad and the Beaumont Redevelopment Agency will formalize for the expansion of an additional 264 track feet along Industry Track B (see attached Exhibit A, which was constructed for the Lowes Project). The agreement will amend the "Basic Agreement" between Union Pacific and the Beaumont Redevelopment Agency established June 25, 2001 which covered the construction, maintenance and operation of a 3,523 foot Track A, a 911 foot Track B and a 140 foot Track C. The Track will be owned and operated by the Redevelopment Agency (RDA) pursuant to an Authorization by the RDA for the Chairperson to execute the Agreement.

***Recommendation***

Staff recommends that the City Council APPROVE the Amended Supplemental Agreement between the Union Pacific Railroad and the Beaumont Redevelopment Agency and AUTHORIZE the Chairperson to execute the Agreement.

Respectfully Submitted,

  
Jeffrey E. Oakley  
Assistant Director of Planning



September 14, 2004

Ms. Shelby Hanvey  
Deputy City Clerk  
City of Beaumont  
550 East Sixth Street  
Beaumont, CA 92223

Re: Rail Expansion Project Near Milepost 562.6, Yuma Subdivision, in Beaumont, California

Dear Ms. Hanvey:

Union Pacific is pleased to advise that we have reviewed the plans submitted for the above-referenced rail expansion project and have no objections to the proposal. It is my understanding all work will be at your expense, performed by private contractor, with no track or signal work required by Union Pacific forces.

Enclosed are duplicate originals of a proposed Supplemental Agreement covering the construction, maintenance and operation of a 264-foot extension of Track B. Please arrange for execution of both counterparts of the agreement and then return both counterparts to me at **1400 Douglas Street, Stop 1370, Omaha, Nebraska 68179-1370**. Upon execution by Union Pacific, one original counterpart of the agreement will be returned to you.

The following Union Pacific representative must be notified in writing at least **ten (10) working days** prior to start of track construction so that appropriate safety precautions may be taken:

**Keith Drinnon, Director-Track Maintenance**  
**Union Pacific Railroad Co.**  
**19100 Slover Avenue**  
**Bloomington, CA 92316**  
**Telephone (909) 879-6211 Fax (909) 879-6289**

Your company will be billed for any flagging protection provided by Union Pacific. Our Telecommunications Operation Center at **1-800-336-9193** must also be contacted prior to track construction for fiber optic information as required by the Industry Track Contract. Union Pacific will not be responsible for any costs related to the adjustment of fiber optic cable if required due to the proposed track construction.

Union Pacific is anxious to meet your rail transportation needs and we look forward to a long business relationship. If you have any questions concerning the terms of the enclosed agreement, please feel free to contact me any time -- and have a safe day!

Sincerely yours,

A handwritten signature in cursive script that reads "Milli Scheer".

**MILLI SCHEER**  
Senior Product Manager-Industrial Development  
Telephone (402) 544-4621 Fax (402) 233-2212  
E-mail: mmscheer@up.com

Marketing & Sales - Industrial Development

**UNION PACIFIC RAILROAD**  
1400 Douglas St., Stop 1370, Omaha, NE 68179-1370

THIS SUPPLEMENTAL AGREEMENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation having an address of 1400 Douglas Street, Omaha, Nebraska 68179 (hereinafter the "Railroad") and BEAUMONT REDEVELOPMENT AGENCY, a political subdivision of the state of California to be addressed at 550 East 6th Street, Beaumont, California 92223 (hereinafter the "Industry").

RECITALS:

By instrument dated June 25, 2001, the parties hereto or their predecessors in interest (if any), entered into an agreement (herein the "Basic Agreement") identified as Agreement Audit Number 221543, covering the construction, maintenance and operation of a 3,523-foot Track A, 911-foot Track B and 140-foot Track C near Milepost 562.6, Yuma Subdivision, in Beaumont, California.

The parties hereto now desire to modify the Basic Agreement to provide for the construction, maintenance and operation of a 264-foot extension to Track B.

AGREEMENT:

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

Section 1. TRACK DRAWING.

Drawing No. CA-0172-BNP-20 dated June 6, 2001, revised August 11, 2004, attached hereto as Exhibit A, shall be and hereby is substituted for the Exhibit A drawing dated June 6, 2001, attached to the Basic Agreement, and from and after the effective date herein, whenever the term "Track" is used in the Basic Agreement, or any amendment or supplement thereto (if any), such reference shall be deemed to refer to the Track as shown on Exhibit A hereto attached.

Section 2. TRACK.

The term "Track" as defined in the Basic Agreement is hereby modified to read refer to a 1,175-foot Track B.

Section 3. TERMS OF CONSTRUCTION.

The Industry, at its expense, will construct 264 track feet of Track B.

Section 4. OWNERSHIP AND MAINTENANCE OF TRACK B.

The Industry will own and maintain, at its expense, all of Track B.

Section 5. EFFECTIVE DATE.

This Supplemental Agreement shall be effective as of the date first herein written.

Section 6. AGREEMENT SUPPLEMENTAL.

This Agreement is supplemental to the Basic Agreement, as herein amended, and nothing herein contained shall be construed as amending or modifying the same except as herein specifically provided.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Agreement to be executed, in duplicate, as of the day and year first herein written.

UNION PACIFIC RAILROAD COMPANY

By \_\_\_\_\_  
General Director - Industrial Development

BEAUMONT REDEVELOPMENT AGENCY

By \_\_\_\_\_  
Printed Name \_\_\_\_\_  
Title \_\_\_\_\_